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HOUSE BILL 1331

43RD LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 1997

INTRODUCED BY

MAX COLL

FOR THE LEGISLATIVE FINANCE COMMITTEE

AN ACT

RELATING TO BUDGETS; PROVIDING PROCEDURES FOR BUDGET
ADJUSTMENTS.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

Section 1. Section 6-3-23 NMSA 1978 (being Laws 1992,
Chapter 2, Section 1) is repealed and a new Section 6-3-23 NMSA
1978 is enacted to read:

"6-3-23. [NEW MATERIAL] DEFINITIONS. -- As used in Chapter
6, Article 3 NMSA 1978:

A. "budget adjustment" means a budget increase, a
division transfer or a category transfer;

B. "budget increase" means an authorization for a
state agency to increase expenditures from a specific source of
revenue;

C. "category transfer" means an authorization for a

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1 state agency to transfer funds from one budget category to
2 another budget category; provided that "category transfer" does
3 not include an authorization to transfer funds between
4 divisions; and

5 D. "division transfer" means an authorization for a
6 state agency to transfer funds from one division of that agency
7 to another division of that agency."

8 Section 2. Section 6-3-24 NMSA 1978 (being Laws 1992,
9 Chapter 2, Section 2) is repealed and a new Section 6-3-24 NMSA
10 1978 is enacted to read:

11 "6-3-24. [NEW MATERIAL] REQUESTS FOR BUDGET ADJUSTMENTS--
12 AUTHORIZATION REQUIRED--LIMITATIONS.--If specifically authorized
13 by law, a state agency may request a budget adjustment. Unless
14 the law specifically authorizing the budget adjustment allows a
15 larger adjustment:

16 A. the annual cumulative effective of division
17 transfers shall not increase or decrease the appropriation to
18 any division by more than seven and one-half percent; and

19 B. the annual cumulative effect of category
20 transfers shall not increase or decrease the appropriation for
21 any category by more than twenty-five percent."

22 Section 3. Section 6-3-25 NMSA 1978 (being Laws 1992,
23 Chapter 2, Section 3) is amended to read:

24 "6-3-25. BUDGET ADJUSTMENT PROCEDURE.--

25 A. Requests for budget adjustments shall be

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1 submitted to the state budget division. The state budget
2 division may approve a budget adjustment if it finds:

3 (1) the state agency is specifically authorized
4 by law to request the budget adjustment;

5 (2) the budget adjustment furthers the goals of
6 the state agency and is otherwise in the best interest of the
7 citizens of New Mexico;

8 (3) the need for the budget adjustment was not
9 foreseen during the session of the legislature that made the
10 initial appropriation and, therefore, it could not have been
11 submitted to the legislature for approval; and

12 (4) the budget adjustment is not otherwise
13 contrary to law or to the intent of the legislature.

14 ~~[A.—Except for federal funds]~~ B. Any budget
15 adjustment request ~~[to transfer, decrease or increase funds]~~
16 shall be held in abeyance for ten calendar days after the
17 director of the state budget division ~~[of the department of~~
18 ~~finance and administration]~~ has approved the request and has
19 filed the request with the director of the legislative finance
20 committee or his designee. The request shall be accompanied by
21 the written findings made pursuant to Subsection A of this
22 section and a statement, in writing, of the conditions under
23 which the budget adjustment request is approved, together with
24 justification for approval.

25 ~~[B.—]~~ C. If within ten days the director of the

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1 legislative finance committee or his designee objects to the
2 request, the request shall not go into effect until it is
3 reviewed by the legislative finance committee or a subcommittee
4 of the legislative finance committee at a public hearing held
5 within thirty-five calendar days of receipt of the proposed
6 budget adjustment by the director of the legislative finance
7 committee or his designee. If the state fiscal year ends prior
8 to the date scheduled for a hearing, the request shall go into
9 effect on the last day of the fiscal year. If, at the public
10 hearing, the committee or subcommittee objects to the budget
11 adjustment request, the request shall not go into effect until
12 the director of the state budget division has reconsidered the
13 findings made pursuant to Subsection A of this section.

14 [E-] D. If within ten days of receipt of a budget
15 adjustment request the director of the legislative finance
16 committee or his designee indicates that no objection will be
17 forthcoming, the proposed budget adjustment request may be
18 implemented immediately. If no objection is made within the
19 required ten days or if no public hearing is held within the
20 required thirty-five days, the request may be implemented."

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